

Good Morning,

From our vantage point, as a foodservice employer that utilizes the undereducated, poorly skilled and less economically viable segment of the labor force, we view the proposed increase in minimum wage as little more than an avenue to augment State tax revenues and in the end harms the very group the proposal seeks to aid.

Speaking for ourselves, the mandated increased cost of labor leaves us little option than to promptly eliminate enough lower ended positions and raise prices to compensate for the increased cost burden.

Oregon already maintains one of the highest, indexed to inflation, minimum wage in the Nation and so is not comparative to the other parts of the country that use the Federal minimum wage for entry level positions.

Increasing the minimum wage in Oregon does nothing to address the real obstacles to the working poor;

- affordable day care,
- lack of schooled marketable skills or proper education.
- and, particularly in rural Oregon, viable transportation.

The reality is that there will be less opportunity available to young persons wishing to enter the workforce or those already in place at minimum wage. Employers will gradually find ways to eliminate the need for those, now, unaffordable positions through increased mechanization, scheduling of existing staff and use of disposable equipment.

Lastly, any increase in the minimum wage results in a ripple effect throughout the entire wage structure and the greater Oregon economy; you cannot ask an individual who is already making \$13.50 an hour to remain at that rate when those with less experience or learned skill, previously making minimum wage, are brought to the same compensation level. In turn it is not reasonable to expect a business not to pass on those increased costs to the consumer.

In the long run, those smaller family owned business that provide the opportunity for the youth or underemployed will disappear, the landscape will be dominated by only those National chains, with their access to greater capitalization and technology, so that once again the real losers will be the working poor of Oregon.

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